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23 April 1973

MEMORANDUM FOR: Director of Current Intelligence

SUBJECT: John Kerry King memo of 17 April 1973 on the "National Intelligence Survey Program" and OBGI Recommendation of 19 April 1973

- 1. The following are my thoughts with respect to the "Options" section (paragraph 9) of Mr. King's memo. The comments apply, as appropriate, to the OBGI Recommendations.
- 2. There is overlap between the OCI Country Handbooks and the NIS. In any consideration of options affecting the NIS the future of the Handbook program should enter in. I recommend that all options except F provide for discontinuance of the Handbook series. A role for the Handbook in Option F is discussed in para. 8, below.
- 3. I agree with the appraisal of Option A. Option B, however, throwing the burden of producing basic intelligence on individual departments and agencies as they see the need, does not seem entirely out of the question.
- 4. Options D and E would almost certainly be more costly than indicated. Option E would probably exceed the cost of option C as well as F. The error stems from assuming that the OCI and OER manyear figures for NIS production represent whole people who could be transferred or otherwise dispensed with. This has not been wholly true in OCI for many years and is even less so today since the office has already excessed almost all full-time NISers. In the production of 20 Government and Politics chapters OCI would probably utilize more than 30 people (analysts, typists, editors, supervisors), none of whom (with 2 or 3 exceptions) would put in more than 1/3 of the year on the NIS. The rest of their time would be devoted to high priority OCI functions—the basic reason for their employment in the first place. The knowledge and expertise of these people is

essential to OCI's primary mission. Moreover, if OCI were not involved in producing for the NIS (option C) or comparable basic intelligence program (option F) it would have to devise some other system for ensuring that its own data base was properly improved and maintained, and this would soak up some of the time that would otherwise be available for Options C or F. With these constraints, and since you can't fire 1/3 of a person, OCI could not reduce by its entire NIS manyear complement if relieved of its NIS production responsibility. For comparative purposes, therefore, the costs to the DDI of Options D and E should be increased by as much as 7 manyears stemming from OCI, alone. A similar situation presumably prevails with respect to OER, also.

- 5. Further comment on Option D: When a full inhouse substantive capability does not exist—as, for
 example, for much of the sociological material—contract—
 ing out seems a reasonable road to go. When the in-house
 capability not only exists—political and economic
 material—but is probably superior to that of available
 contractors, contracting out, with its added cost, doesn't
 seem to me the best use of available resources. Moreover,
 I think we would be hard put to find a competent contractor
 for the political chapter (I don't know about the economic).
 My guess is that the Department of State would be no more
 willing to accept the responsibility again than it was to
 retain it in 1961.
- 6. I have three additional comments on Option E (in addition to those in para. 4 above).
 - a. The first is an amplification of the point in Mr. King's memo about overlap with OCI. Option E would create something comparable to the Research Division that existed in OBI for about a year until December 1962 when it was transferred to OCI and OER. Many of the reasons found valid at that time for eliminating a separate NIS production shop seem equally, if not more, valid today for not reconstituting one. Basic, of course, is that a separate shop system is quite wasteful of resources. The data base and much of the flow of information would have to be duplicated, because most of the political and economic information needed for the NIS is not

substantially different from that required for OCI's and OER's primary mission. But the real crunch will be in people--people with developed knowledge, experience, and expertise, collectively competent on all countries to be given NIS coverage, just to produce General Surveys on some 20 countries a year. Moreover, with no other concern than producing NIS chapters, the development and maintenance of up-to-date sophisticated analytical judgments in the political or economic spheres seems highly unlikely.

I think Mr. King has underestimated the number of people required for such an NIS-only production shop and the grade level necessary to attract and hold competent analysts. According to the figures in the NIS resources tabulation appended to the OBGI Recommendation, by developing his own production shop in lieu of OCI/OER production Mr. King is expecting to accomplish the same result as Option C(1) with 6 fewer 25X1A1a manyears of work by DDI personnel and less contractor cost, representing a little over 4 manyears of work. OBGI also, apparently, is expecting to recruit a competent production staff at a grade level substantially below the average grade level OCI has been investing in NIS production. In calendar 1972 the average grade level of OCI personnel working on the NIS (excluding typists) was year). It appears from Mr. King's figures that he intends paying something closer to an average of

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I think it fairly certain that a staff recruited and maintained under the constraints above will be unable to sustain production of much more than generally superficial, mediocre manuscripts. OCI review of such manuscripts will be quite time consuming and probably something more than a mere annoyance.

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The steps for streamlining production procedures and injecting new flexibility in coordination and processing alluded to in Option C should be spelled out in some detail. With appropriate modifications in the present system some

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of the problems now stemming from the inter-agency, coordinated, "national" aspects of the program could be alleviated and the whole process made more palatable to us. There is no denying that the idea of "national" basic intelligence has a strong attraction in many quarters. My recommendations for improving Option C:

- a. Make the producing office fully responsible for securing interagency coordination of its manuscripts. When appropriately coordinated the manuscript would be considered to have interagency approval for publication. This would eliminate the second review (the so-called "Xerox review") and permit speedier processing and publishing.
- b. Write in the proposal previously made to the NIS Committee and currently under consideration, that OBGI should edit, process, and publish each chapter as a separate, independent entity as quickly as possible after receipt of the draft manuscript. Normally, this should take no longer than six weeks. The practice of holding chapters until others on a country are received before proceeding to publication should cease. This should eliminate any need for extensive updating, a costly, time-consuming activity that has become endemic in the NIS process. Recently, manuscripts have been held as long as 34 weeks waiting for laggards, and rarely has it been less than 10 weeks. In many cases analysts are still having to deal in some fashion with manuscripts 8-10 months after they had finished the draft.
- c. Separate-chapter processing and publication, as described above, would permit greater flexibility in scheduling. No longer would rigid adherence to arbitrary schedules be necessary. A production problem afflicting one producer would have no effect on others. The only external scheduling constraints on producers would stem from OBGI's need for some sort of orderly flow of manuscripts to it and the desirability of completing a full package of chapters on a given country within a reasonable time frame.
- d. I think we should eliminate any specified list of countries for NIS coverage and any predetermined maintenance cycle. Chapter and country

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coverage should be on an "as needed" basis, determined on a near-term rather than a cosmic 5, 10, or 15 year view. We should not get locked into a system that makes response to changing needs as difficult and dragged out as has been the case in the past. I still think basic orientation materials for the general consumer are more necessary for the lesser known countries than for the better known ones.

8. A program of the level and scope envisaged in Option C, either variant, is more than would be needed to serve the general consumer with basic orientation materials. An adequate program could be provided with a manyear cost to the DDI approximately half that indicated for Option F. I would suggest scaling Option F down to approximately 30 manyears for DDI offices. Corresponding cuts in contractor and printing costs would probably accrue. The OCI Country Handbook would make a good base for the type of product envisaged for such a program, so I would suggest that Option F provide for transferring the Handbook program to OBGI for such use. The only other thing I would add is some provision for separate coverage of the military capabilities of our principal adversaries--those countries within OSR's field of responsibility. OSR participation in the program should thus be included.



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